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Security Council Committee established pursuant to resolution 1267 (1999)

Note verbale dated 21 April 2003 from the Permanent Mission of Croatia to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of the Republic of Croatia to the United Nations presents its compliments to the Chairman of the Security Council Committee established pursuant to resolution 1267 (1999) and has the honour to forward the response of the Government of Croatia on the implementation of resolution 1455 (2003) (see annex).

03-35197 (E) 060603

Annex to the note verbale dated 21 April 2003 from the Permanent Mission of Croatia to the United Nations addressed to the Chairman of the Committee

Report of Croatia on the implementation of Security Council resolution 1455 (2003)

I. Introduction

1. Until today there have been identified no activities by Usama Bin Lade, Al-Qaida, the Taliban and their associated in the territory of the Republic of Croatia.

II Consolidated List

2. In accordance with resolutions 1267 (1999) and 1333 (2000), 1390 (2002) adopted by the Security Council on 16 January 2002, and, in particular, paragraphs 2, 6, and 8 the Government of the Republic of Croatia has taken following steps:

All the competent authorities (Financial supervision, police, immigration control, customs and consular authorities) in Croatia have been requested:

(a) to freeze without delay the funds and other financial assets or economic resources of individuals, groups, undertakings and entities, as referred to in the list created pursuant to resolutions 1267 (1999) and 1333 (2000) including funds derived from property owned or controlled, directly or indirectly, by them or by persons acting on their behalf or at their direction, and ensure that neither these nor any other funds, financial assets or economic resources are made available, directly or indirectly, for such persons' benefit, by Croatian nationals or by any persons within the Croatian territory;

(b) to prevent the entry into or the transit through the Croatian territory of these individuals, provided that nothing in this paragraph shall oblige Croatia to deny entry into or require the departure from the Croatian territory of the Croatian citizens and this paragraph shall not apply where entry or transit is necessary for the fulfilment of a judicial process or the Committee determines on a case by case basis only that entry of transit is justified;

(c) to prevent the direct or indirect supply, sale and transfer, to these individuals, groups, undertakings and entities from their territories or by the Croatian citizens outside the Croatian territory, or using the Croatian flag vessels or aircraft, of arms and related material of all types including weapons and ammunition, military vehicles and equipment, paramilitary equipment, and spare parts for the aforementioned and technical advice, assistance, or training related to military activities.

3. No problems have been encountered with implementing the resolution 1267 (1999).

4. Until today no designated individuals or entities referred to in the list created pursuant to resolutions 1267 (1999), 1333 (2000), 1390 (2002) and 1455 (2003) have been found in Croatia.

5. /

6. /

7. /

8. The Republic of Croatia regulated the issue of denying safe haven to terrorists by the Criminal Code, the Law on Movement and Residence of Foreigners and the Law on the Control of State Border of the Republic of Croatia. The Act on Asylum is in legislative procedure and is expected to be passed by the Parliament in the near future.

The Article 169 of the Criminal Code, paragraph 1, criminalises international terrorism, that is, when someone aims to harm a foreign state or international organisation, causes explosion or fire, or by any other commonly dangerous act or means causes any danger for people or assets, or where someone takes hostages or commits any other act of violence. The definition of international terrorism, as used in the Criminal Code, corresponds to the European Convention on the Suppression of Terrorism, of 1977 (Article 1).

Pursuant to the Criminal Code, instigators and accomplices who instigate the perpetrators or help by commission, shall be punished. If such an organisation is organised on the territory of the Republic of Croatia, its members would also be held responsible for the criminal act defined in Article 333, i.e. for organising or heading a criminal organisation, that is being members thereof.

Regional initiatives, such as the Stability Pact for South-eastern Europe tackle the issue of denying safe haven to those who finance, plan, support, or commit terrorist acts, or provide safe havens, too. The partnership project among the Federal Ministry of the Interior of Germany, Ministry of the Interior of the Republic of Austria, Ministry of the Interior of the Republic of Slovenia and Ministry of the Interior of the Republic of Croatia has been agreed upon under the auspices of the Stability Pact. This project requires the creation of national plans of activities for lasting stabilisation and development in the area of asylum, migrations, border control and surveillance of the state border in Croatia, which should be based upon existing European Union standards. The above-mentioned project foresees co-operation in the field of telecommunications and harmonisation of legislation, co-operation among relevant institutions and personnel, expert education and specialisation, as well as the exchange of information. The extent of the attention paid to the problem of asylum and migrations within the Pact can be seen through the establishment of the "CARDS PROGRAM", within which two relevant projects have been drafted, "Integrated Management of Borders" and "Strengthening of Asylum and Migrations Development Policy".

The Republic of Croatia joined the RTF (Regional Task Force), group set up at the initiative of the United Nations, whose other members are the Federal Republic of Yugoslavia and Bosnia and Herzegovina (the Republic of Srpska and the Federation

of Bosnia and Herzegovina), and whose basic aim is enhancement of police co-operation.

III Financial and Economic Asset Freeze

9.

- The domestic legal basis to implement the asset freeze required by the resolutions above is the Law on the Prevention of Money-Laundering which prescribes measures to be taken in banking and financial transactions in order to detect and prevent money laundering.

- Impediments have been identified in a lack of criminalizing preparatory activities of the criminal act of international terrorism. Therefore, through a Bill of Amendments to the Criminal Code, currently in parliamentary procedure, the Republic of Croatia intends to criminalize or incriminate as criminal acts the procurement of, or preparing means for, removing obstacles to, collection or provision of pecuniary or other financial means, making plans or arrangements with another or taking other action to create conditions for direct performance of criminal acts containing elements of terrorism (anti-state terrorism, international terrorism, hostage taking, hijacking of airplane or ship, endangering the safety of persons under international protection, misuse of nuclear materials, endangering international air traffic and international maritime navigation – criminal acts under articles 170 through 172, 179 and 181).

After article 187 new articles 187.a and 187.b will be added, reading as follows:

Preparing criminal acts against values protected under international law

Whoever procures or prepares means for, removes obstacles to, collects or provides monetary or other financial means, makes plans or arrangements with another, or takes other action to create conditions for direct performance of criminal acts under articles 156 through 160, 169 through 172, 179 and 181 of this law,

shall be sentenced to imprisonment of one to eight years.

Subsequent assistance to the perpetrator of a criminal act against the values protected under international law

(1) Whoever hides the perpetrator of a criminal act under articles 156 through 160, 169 through 172, 179 or 181, or provides him with food, clothing, money or takes care of him in another way in order to make difficult his detection or arrest,

shall be sentenced to imprisonment of six months to three years."

The above proposed amendments indicate the intention to tighten the regime for suppression of terrorism and associated criminal acts, which is in conformity with the relevant international conventions.

4 Adoption of the amendments to the Criminal Code by the Croatian Parliament is expected in the course of 2003.

10. The Anti Money-Laundering Department issued directives for conduct under special circumstances, such as when a credible threat of international terrorism exists, putting in place special procedures for these circumstances. For example, when it is suspected that a financial transaction may be used for financing terrorist acts, a special co-ordinator is appointed for such cases, which are automatically designated as a priority in further processing within the Department. This procedure should ensure a rapid and adequate response to attempts to finance terrorist activities.

Within the framework of its competencies, the Anti Money-Laundering Department is streamlining its main activities on cutting off, i.e. detecting financial flows used by members of terrorist organisations through:

(i) enhancing and strengthening the co-operation with other Departments and Sections within the Ministry of Finance, as well as other state bodies (the Ministry of the Interior, the Office of State Prosecutor, the Croatian National Bank, the Ministry of Foreign Affairs) aimed at detecting whether suspected persons have criminal records or are under investigation, or whether the relevant bodies have any other information available;
(ii) intensifying and improving the co-operation and the exchange of information with foreign Offices (financial intelligence units), among other, via telephone and protected security web system.

At the regional and international level the Ministry of Finance, particularly the Anti Money-Laundering Department, is fully co-operative regarding the exchange of information connected to money laundering and the financing of terrorism. According to Article 14 of the Law on the Prevention of Money-Laundering, the Anti Money-Laundering Department is empowered to exchange information with foreign counterparts. Such units are integrated within the Egmont Group (association of the financial investigation units world-wide).

The procedures of future co-operation and exchange of information referring to money-laundering and financing of terrorism were agreed to at the special meeting of the Egmont Group with representatives of the USA supervisory services held on 31 October 2001 and 1 November 2001. It was decided that all the actions connected to combat money laundering and financing of terrorism should be proceeded through FinCen (USA financial investigation unit), as a co-ordinator of international exchange of information. Croatia regularly exchanges information with FinCen regarding informations on Taliban-related financial networks, or those who provide support to them within our jurisdiction.

11. The Anti Money-Laundering Department requested the Ministry of the Interior, the State Prosecutor and the Croatian National Bank to additionally examine their files and identify potential physical and legal persons as referred to in the list created pursuant to resolutions 1267 (1999), 1333 (2000), 1390 (2002) and 1455 (2003).

The Tax Department conducted a search of its databases for all purchases and sales of real estate, tangible and intangible property, as well as financial transactions of humanitarian organisations and associations connected to physical and legal persons

as referred to in the list created pursuant to resolutions 1267 (1999), 1333 (2000), 1390 (2002) and 1455 (2003).

The Customs Department searched its database for illicit transfers of cash over the state border pertaining to physical and legal persons as referred to in the list created pursuant to resolutions 1267 (1999), 1333 (2000), 1390 (2002) and 1455 (2003). It also strengthened the overall control of traffic of goods across the border, particularly the transfer of money.

The Division of Foreign Exchange Inspectorate searched its database looking for transactions made by physical and legal persons as referred to in the list created pursuant to resolutions 1267 (1999), 1333 (2000), 1390 (2002) and 1455 (2003).

Pursuant to the new Law on the Prevention of Money Laundering and its bye-laws, identifiers (developed according to eight recommendations of the Financial Action Task Force, the *FATF Recommendations*) focused on the suppression of financing terrorism will be sent to the banks to facilitate identification of dubious transactions of domestic and foreign non-profit organizations. If a bank identifies a dubious transaction, it is obliged to notify such a transaction to the Office for the Prevention of Money Laundering, which in turn must notify the Public Attorney's Office.

12. Until today no financial assets or economic resource of the individuals, groups, undertakings and entities referred to in the list created pursuant to resolutions 1267 (1999), 1333 (2000), 1390 (2002) and 1455 (2003) have been found in Croatia.

13.

14.

- The Anti Money-Laundering Department searched its databases and checked the names of over 600 physical and legal persons, from the list issued pursuant to SC resolution 1267 (1999), 1333 (2000), 1390 (2002) and 1455 (2003). It applied the same procedure to the lists received in bilateral contacts from certain states. Also, the Anti Money-Laundering Department conducted a search of the financial system (bank system). The results were sent to FinCen (USA Financial Investigation Unit), which was agreed to be an international co-ordinator for the exchange of information.

The Anti Money-Laundering Department requested the Ministry of the Interior, the State Prosecutor, the Croatian National Bank, the Tax Department, the Customs Department and the Division of Foreign Exchange Inspectorate to additionally examine their files and identify potential physical and legal persons who can be associated with terrorist organisations and financing of terrorist activities.

See the answer provided in paragraph 11.

- The banks and other legal entities and natural persons referred to in Article 2 of the Law on the Prevention of the Money Laundering have to, at the request of the Head of the Office for Prevention of Corruption and Organised Crime,

promptly forward the information of the balance of the accounts of the person suspicious of hiding the source of such money, or of gaining such money for the criminal proceedings. If the period for forwarding such information set by the Office in its request has been exceeded without a justified reason, the responsible person shall be liable for the criminal offence of obstructing the evidence pursuant to Article 304, Paragraph 2 of the Criminal Code.

- When opening an account, foreign non-profit organizations are obliged, in compliance with the Decision on Required Documentation (Official Gazette No. 38/99), to attach a transcript of the Registration Certificate from the Register of Organizations in their country of origin, not older than one month, confirming their legal status, along with a list of signatures of authorized persons.

If it involves a foreign non-profit organization with a registered branch office in Croatia, a Registration Certificate from the Register of Foreign Organizations with the Croatian Ministry of Justice will be required, along with a list of signatures of authorized persons.

In line with the Amended Conditions under which Foreigners May Acquire Funds in Domestic Currency (Official Gazette No. 14/96), as well as the Decision on Withdrawing Cash from Foreign Exchange Accounts Owned by Foreign Entities (Official Gazette No. 28/97), all foreign non-profit organizations not having a registered branch office in Croatia shall have limited access to financial resources held on non-resident accounts in terms of depositing and withdrawing cash.

Pursuant to the obligation under the Law on the Prevention of Money Laundering (Official Gazette No. 69/97), deposits of funds in excess of Kn 105,000 (US$ 15,000) on non-resident accounts of foreign non-profit organizations shall be registered with the Office for the Prevention of Money Laundering on the basis of data submitted by the banks with which such non-resident accounts have been opened.

The Office for the Prevention of Money Laundering has analytical mechanisms for identification of transactions which depart from usual business activities, including those of domestic and foreign non-profit organizations. In a new Law on the Prevention of Money Laundering, which is in the parliamentary procedure, this activity will be additionally specified. Pursuant to the new Law on the Prevention of Money Laundering and its bye-laws, identificators (developed according to eight recommendations of the Financial Action Task Force, the *FATF Recommendations*) focused on the suppression of financing terrorism will be sent to the banks to facilitate identification of dubious transactions of domestic and foreign non-profit organizations. If a bank identifies a dubious transaction, it is obliged to notify such a transaction to the Office for the Prevention of Money Laundering, which in turn must notify the Public Attorney's Office.

IV. Travel Ban

15. The border police of the Ministry of the Interior prevents the movements of potential terrorists and persons who could be connected to them across the state border, in accordance with the Law on the Control of the State Border, as well as of the Law on Movements and Residence of Foreigners.

Border Police and Control authorities have been strengthened. Control of persons, vehicles and luggage have been intensified on all border crossings. Also, control of persons and luggage on domestic and international flights have also been strengthened, while additional checkpoints at entrances of all airports (with selective control of drivers, passengers and vehicles) have been established.

The Law on Travel Documents of the Croatian Citizens regulates issuing of identity cards and travel documents to Croatian nationals, and the requirements and conditions under which they are issued. A high level of protection of Croatian travel documents was introduced in accordance with the ISO-standards on 1 January 2000.

16. The names of the listed individuals in the lists pursuant to resolutions 1267 (1999), 1333 (2000), 1390 (2001), 1455 (2003) have been included in the Croatian border checkpoint list.

17. Shortly after the Security Council Committee established pursuant to resolution 1267 (1999) enlarges the Committee's Consolidated List with new names, the Croatian border control authorities are informed accordingly.

18. To date, Croatian authorities have identified no terrorist groups or individuals that attempted to enter or transit the country.

19. The Croatian Consular office has incorporated the lists pursuant to SC resolutions 1267 (1999), 1333 (2000), 1390 (2001) and 1455 (2003) in its reference database. Until today the Croatian visa-issuing authorities have not identified any visa applicant whose name appears on the list.

V. Arms Embargo

The Republic of Croatia signed with the USA the Agreement on Non-proliferation of the Weapons for Mass Destruction by Terrorist Organisations.

20. On the basis of Article 4, paragraphs 3, 4 and 5 of the *Decree on Goods Subject to Import and Export Licencing* ("Official gazzette" nr. 118/01, 108/02 and 134/02), the The National Licencing Authority for Import/Export Control of Weapons for Commertial Purposesissues export/import licences for weapons for commertial purposes. The Authority is comprised of representatives from the Ministry of Defense, Ministry of Internal Affairs, Ministry of Foreign Affairs and Ministry of Economy.

Within the framework of each member's responsibility, as defined by the jurisdiction of his/her Ministry, every member of the Authority is authorized to give an opinion so that:

- the representative of the Ministry of Defense is responsible for determining whether or not the goods in question are military in nature and if these goods, as such, can be used for military or civilian purposes. This can be determined using the specifications submitted by the parties involved, and from the name and type of goods.
- the representative of the Ministry of Interior Affairs is responsible for controling the type and the purpose, as well as the amount of the goods in question, and for controling the enclosed specifications and contracts.
- the representative of the Ministry of Foreign Affairs is responsible for ensuring that the process of approving a request does not bring Croatia's security into danger, as well as ensuring that the request does not violate international legal obligation that Croatia has undertaken to uphold.

- the representative of the Ministry of the Economy gathers formal requests submitted by parties interested in importing and exporting weapons; contacts those parties and gives them instructions relating to their requests; calls the National Licencing Authority to meeting; takes Minutes of the Authority's meetings that detemine when the meeting took place, how many requests have been received, how many requeats have been approved, and why certain requests were not approved; and ensures that requests follow legal requirements.

The Authority does NOT consider the following requests:

- if the form MG-TI/MG/TU of the the *Decree on Goods Subject to Import and Export Licencing* is not filled out correctly;
- if all necessary specifications, formulated by the Authority, are not enclosed in the request;
- if all necessary documents (the order, the contract, the proposal, the bill etc.) are not enclosed;
- if the original "end user certificate" and a copy of the import licence are not enclosed;
- if the "end user certificate" and the copy of the import licence, issued in a foreign language, had not been translated into Croatian by an official court interpreter;
- if a certificate confirming the payment of administrative tax is not enclosed.

The Authority regularly meets twice a month (every 15 days), although if the situation requires it can meet more often.

The minutes of every meeting have to be approved and signed by all members of the Authority at the next meeting, which are then archived in the ministy of Economy.

If even one member of the Authority does not give his/her consent for issuing a licence, the request cannot be accepted.

The Government of the Republic of Croatia adopted on 9 May 2002 the Decision on accepting the principles contained in the European Union Code of Conduct for Arms Exports adopted on 8 June 1998.

Consequently, the **Law on Production, Overhaul and Trade of Weapons and Military Equipment**, which (in part that regulates trade of weapons) authorises a

designated Government Agency to establish and maintain a database of imported and exported weapons and military equipment was adopted on 29 March 2002.

Taking into consideration that arms control agreements are not primarily designed as tools for combating terrorism, there are some elements that are useful in efforts to suppress terrorism (e.g. monitoring treaty-limited equipment, inspection regime, declarations and annual exchange of information related to equipment and armament). The Croatian Verification Centre, as an executive arms control centre within the Ministry of Defence, actively participates in the implementation of internationally accepted commitments in the area of arms control, particularly the Agreement on Sub-regional Arms Control (Article IV. Annex 1-b of the Dayton Peace Agreement for Bosnia and Herzegovina). The Centre also deals with the implementation of Confidence and Security Building Measures (CSBMs) within the framework of the Vienna Document 1994/1999, along with additional regional and other CSBMs, based on reciprocity.

21. Croatian legislation contains provisions that criminalize support, active or passive, to entities or persons involved in terrorist acts, including the supply of weapons to terrorists. The main provisions are contained in the Criminal Code, the Trade Act and Government Decision on Determination on Goods Imported and Exported on the Basis of Licenses and the Law on Production, Overhaul and Trade of Weapons and Military Equipment.

Article 334, paragraph 1 of the Criminal Code, which deals with the assembly and supply of weapons and instruments intended for the perpetration of a criminal offence, provides for the punishment for whoever makes, supplies or enables another to obtain weapons, explosive substances or means intended for their production, or poisons which he knows to be intended for the perpetration of a criminal offence. The perpetrator shall be punished by a prison term from three months to three years.

Article 335, paragraph 1 is on illicit possession of weapons and explosive substances. It incriminates unauthorised possession of firearms and explosive substances, when a person makes, supplies, possesses or otherwise acquires for himself/herself or a third party firearms, ammunition or explosive substances whose supply, sale or possession is not permitted to citizens. The perpetrator shall be fined or imprisoned for up to three years. Paragraph 2 provides for the punishment for whoever supplies, possesses, sells, makes or exchanges, without authorisation, larger quantities of firearms, ammunition or explosive substances. The perpetrator shall be imprisoned from one to five years.

22. See answer provided in paragraph 20.

23. See answer provided in paragraph 20.

VI. Assistance and conclusion

24. /

25. There is an assessment of a security risk, where members of terrorist groups can use channels established and used by organisers of illegal immigration in order to penetrate into Western European countries. The Ministry of the Interior identified the need for a better-equipped system on border crossing points that will directly be connected to the central headquarters operated by the Ministry of the Interior. The standards of the border crossing-points should be adjusted to the EU standards by purchasing necessary equipment such as: optical passport reader; device for preliminary detecting of counterfeit passports; explosive detector and video-surveillance.

The Ministry of Finance identified the same need with regard to the control of the traffic of goods and services across the state border, which is within its jurisdiction. The Institute "Ruđer Bošković" in Zagreb prepared a proposal of a project named "Terrorism and Illicit Trafficking in Explosives, Chemical Agents, Nuclear Material and Humans". The purpose of this proposal is to enhance border control and consequently national security, and thus to contribute actively to the full implementation of the Security Council resolutions 1373 (2001). The Government of Republic of Croatia has already submitted its request for financial and technical assistance to the Security Council.

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Security Council Committee established pursuant to resolution 1267 (1999)

Note verbale dated 23 April 2003 from the Permanent Mission of Slovenia to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of the Republic of Slovenia to the United Nations presents its compliments to the Chairman of the Security Council Committee established pursuant to resolution 1267 (1999) and has the honour to transmit, pursuant to paragraph 6 of resolution 1455 (2003), the updated report of the Republic of Slovenia on steps taken to implement the measures imposed by paragraph 4 (b) of resolution 1267 (1999), paragraph 8 (c) of resolution 1333 (2000) and paragraphs 1 and 2 of resolution 1390 (2002) (see annex).

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Annex to the note verbale dated 23 April 2003 from the Permanent Mission of Slovenia to the United Nations addressed to the Chairman of the Committee

Report of Slovenia on the implementation of sanctions against the Taliban and al-Qa`idah pursuant to Security Council resolution 1455 (2003)

The Republic of Slovenia condemns international terrorism, and therefore participates actively in the international anti-terrorist coalition established following the terrorist attack on the World Trade Centre in New York on 11 September 2001. Slovenia supports and participates in the international initiatives in the fight against terrorism, adopted within the United Nations, the European Union, NATO, OSCE and the Council of Europe.

Pursuant to UN Security Council Resolution 1455 (2003) and the Guidelines for Reports Required of all States Pursuant to Paragraphs 6 and 12 of the Resolution 1455 (2003) adopted by the Security Council Committee established pursuant to Resolution 1267 (1999), the Government of the Republic of Slovenia adopted, at its 17th session, on 18 April 2003, the Report on the Implementation of Sanctions against the Taliban and Al-Qaida pursuant to UN Security Council Resolution 1455 (2003).

In compliance with UN Security Council Resolution 1455 (2003), the Republic of Slovenia strengthened sanctions against the Taliban, Al-Qaida and Osama bin Laden as well as individuals and entities connected with them. The Report of the Republic of Slovenia on the Implementation of Sanctions against the Taliban and Al-Qaida to the Sanctions Committee 1267 is based on Security Council Resolution 1455 and has been drafted pursuant to Security Council Resolutions 1267 (1999), 1333 (2000) and 1390 (2002), which introduced and amended the sanctions regime relating to the situation in Afghanistan.

I. Introduction

1. On 11 May 2001, the National Assembly of the Republic of Slovenia adopted the Restrictive Measures Act amended on 21 June 2002. On the basis of this Act, the Government established an interdepartmental working group on 23 January 2003 for the implementation of restrictive measures and for the monitoring of activities relating to the fight against terrorism. On the recommendation of the aforementioned group, the Government of Slovenia may adopt or revoke by decree restrictive measures against specific countries with regard to its obligations under international law. On 23 January 2003, the Government of the Republic of Slovenia adopted the decree - amending a previous decree - on measures against the Taliban (Afghanistan), which is also accessible on the web site:
http://zakonodaja.gov.si/rpsi/r07/predpis_ZAKON3117.html

Measures, tasks and activities of the police in the prevention of terrorism may be summarised in the following clusters:
- Collecting operational data
- Protecting persons and objects
- Thorough monitoring of aliens (particularly those from countries that present a high security risk)
- Current and thorough checking of all information indicating terrorist activity
- Guaranteeing air traffic security
- Coordinating tasks and measures
- Introducing stricter control at the state border

Pursuant to the Restrictive Measures Act (Uradni list RS (Official Gazette), No. 35/01 and No. 59/02) and the published decrees on individual restrictive measures against the Taliban and Al-Qaida, the Customs Administration of the Republic of Slovenia imposed the mandate for the integration of the necessary restrictions into the Customs Information System (CIS), which consists of official records of customs procedures and control of customs goods in transit. The integrated restrictions do not allow for the entry of customs documents into the system in cases where they include elements that have been restricted. The integrated warnings direct customs officials to the further checking of documents and goods.

The Office of the Republic of Slovenia for Money Laundering Prevention does not have any information relating to the activities of Usama bin Laden, Al-Qaida and the Taliban on the territory of the Republic of Slovenia.

II. Consolidated List

2. The Republic of Slovenia did not encounter any specific problems or deviations in coordinating the list. The most explicit is the coordination procedure for implementing measures for the prevention of financing international terrorism, which is underway. Regardless of the fact that, at this stage, Slovenia has not yet ratified the International Convention for the Suppression of the Financing of Terrorism, the latter has already been signed and the harmonisation of legislation is underway. Relevant measures were adopted, so that Slovenia has guaranteed, at the interdepartmental level, the implementation of envisaged measures in the field of controlling suspicious

financial transactions. The police have placed the lists of persons under UN Security Council Resolution 1267 (1999) on the list of persons not allowed to enter the Republic of Slovenia. These lists are being continually updated.

In addition, all customs offices have been notified and informed of the newly published and introduced, or changed, restrictions and measures. Written guidelines include procedures for what to do with goods and their accompanying documents in case a violation has been established, and lay down the duties of customs offices. These must communicate the disclosure and their findings immediately to the General Customs Directorate, which in turn must inform the Ministry of Foreign Affairs.

The Office of the Republic of Slovenia for Money Laundering Prevention, in compliance with the Money Laundering Prevention Act, checked the persons on the list published under UN Security Council Resolution 1267 (1999) in their own records and in Slovenian banks.

3. We encountered no particular problems in placing these persons on our lists.

4. The Office of the Republic of Slovenia for Money Laundering Prevention has no information that any individual or legal entity on the mentioned list is operating in the Republic of Slovenia. So far, the police have not come across any individual on the list.

5. There is no relevant information on this question.

6. There is no relevant information on this question.

7. There is no relevant information on this question.

8. There is no relevant information on this question.

III. Financial and Economic Asset Freeze

9. The Bank of Slovenia adopted no particular act on this issue, as the subject of control on the basis of Article 128 of the Banking Act must, at the request of the Bank of Slovenia, submit reports and information on all issues relevant for carrying out the control or the discharging of other competencies and tasks of the Bank of Slovenia. These include the tasks in the field of control of implementation of the restrictive measures in compliance with the provision of the second paragraph of Article 2č of the Restrictive Measures Act.

10. There is no relevant information on this qusetion.

11. The Bank of Slovenia, through the Bank Association of Slovenia, continually notifies all members of the Association of new persons placed on the consolidated list of individuals and entities subject to sanctions and relevant UN resolutions. At the same time, the Bank of Slovenia also highlights the updated list of individuals and entities on the website of the Sanctions Committee.

The customs service is responsible for the control and surveillance of transfer of domestic and foreign currency in and out of the country (transfer of cash across the border). Transfer of cash across the national border above the prescribed amount shall be entered into the customs information system, and from there, the message is automatically forwarded to the Office for Money Laundering Prevention.

12. The customs service has established an intranet information system, in which notifications and notices for different sensitive and important areas, including restrictive measures, are entered and published. Access to information on the website is authorised for all official persons of the customs administration who are employed at border and inland customs offices. Acquired data and information are entered daily into the system at the General Customs Directorate. The system also facilitates the entry of an urgent and important piece of information or warning by authorised customs service officials working at customs offices.

13. The Office of the Republic of Slovenia for Money Laundering Prevention has no information that financial means would be confiscated from any person on the list.

14. There is no relevant information on this qusetion.

IV. Travel Ban

15. Slovenian legislation regulates standards required for national border control. Basically, this area is covered by the National Border Control Act and by the Aliens Act. Both acts are entirely harmonised with standards imposed by the Schengen Agreement. At the same time, the Slovenian Police drafted additional guidelines in respect of stricter controls at border crossings and for the border area of the Republic of Slovenia. The provisions of the guidelines are applied *mutatis mutandis* in procedures of the Republic of Slovenia.

16. The list of persons, institutions and entities is being regularly processed and forwarded to the competent services and authorities. For reasons of practicality and for maximum effectiveness, the updated information is forwarded online so that the list may be accessed by a broad circle of authorised bodies at any time.

17. The list is being regularly updated according to requirements and with tangible changes.

18. To date, the police have not discovered any persons on the list, either at border crossings or in Slovenia itself.

19. A direct electronic connection has been established between the Ministry of Foreign Affairs and the Ministry of the Interior that provides for the control of all events regarding attempts by citizens of potentially risky countries to enter Slovenia. In compliance with adopted measures pursuant to UN Security Council Resolution 1455 (2003), regular updates are provided for by coordinated consultations.

V. Arms Embargo

20. Arms exports are governed by the Defence Act, while permits for the exportation of military weapons and equipment are issued by the Ministry of Defence. The regime of issuing these permits is aligned with European legislation which, in addition to other "protection instruments", also provides for control of the end-user and the compulsory attachment of the end-user certificate. As of February 2003, the opinion of the interdepartmental group deciding on the issue of the permit must be obtained prior to the issue of such a permit. The interdepartmental group is composed of representatives of the Ministry of Defence, the Ministry of the Interior, the Slovenian Intelligence and Security Agency, the Intelligence and Security Service of the Ministry of Defence, the Ministry of the Economy and the Ministry of Foreign Affairs. The Ministry of Defence reports to the Government of Slovenia on permits issued. Records on rejected applications for permits, or revoked permits, which have already been issued due to the UN embargo are kept by the Ministry of Defence of the Republic of Slovenia.

Control over the transit, importation and exportation of military and other weapons, ammunition, explosives and military material shall be conducted on the basis of permits issued. The Ministry of Defence (weapons for military use) or the Ministry of the Interior (weapons for civilian use) are responsible for issuing permits. The Ministry must notify the Customs Administration of the permit issued and of any importation or exportation of weapons, ammunition, parts or military material to Slovenia or from Slovenia.

21. The Ministry of Defence and the interdepartmental working group deciding on the correctness of issuing arms exportation permits and providing opinions to the Ministry of Defence, offers a negative view of the issuing of permits for military arms and equipment exportation in cases where there is a suspicion that the arms are intended for terrorist groups or countries under UN embargo. Regarding the latter, the Restrictive Measures Act and the Decree of the Government of the Republic of Slovenia adopted on its basis, apply. These acts define entities with which any economic operations are prohibited. The decrees are based on UN conventions specifically defining such entities.

22. As of February 2003, the Decree on permits and consensus for trade in and the production of military weapons and equipment (Uradni list RS No. 18/03), defines the licence issuing procedure for brokering in the trade in military weapons and equipment and issuing permits for individual mediation jobs, which are granted by the Ministry of Defence of the Republic of Slovenia. In issuing such permits, the Ministry of Defence takes into account the resolutions and conventions of the UN and Government decrees referring to the ban on doing business with individual entities.

23. Weapons and ammunition of the Ministry of Defence and the police are adequately protected in warehouses with technical and physical protection. Confiscated weapons are stored in the Ministry of the Interior warehouse, except for military weapons that are stored by the Slovenian Army until the end of the court proceedings. After the conclusion of the court proceedings, weapons are usually destroyed. However, they may be handed over to the Ministry of Culture in cases of rarity and, in the instances of hunting or sports weapons, these may be sold if they still possess any market value. There is no manufacturer of light infantry weapons in Slovenia. However, there is a factory for heavy arms (STO Ravne) and some laser manufacturers of military equipment, to whom permits for exportation or sales are issued by the Ministry of Defence according to the above procedure.

VI. Assistance and conclusion

24. Slovenia and its authorities would be willing to share experience and advise countries on legal provisions and the implementation of tangible measures regarding the prevention of the spread of terrorism and implementing measures against the Taliban and Al Qaida. Regarding the above, Slovenia proposed, at the UN-OSCE conference on all aspects of the illicit trade in small arms and light weapons in South-Eastern Europe, held on 11 and 12 March 2003 in Brdo pri Kranju, the establishment of the Regional Contact Point for SALW in Slovenia, which would ensure harmonisation of the "arms law" with European and UN legislations and UN conventions and resolutions in this region and, at the same time, offer assistance in implementing best practice in the control of arms exports and sales in the countries of South-Eastern Europe.

25. The Slovenian Arms Act defining the trade in civilian arms will have to be amended in the sense of harmonisation with the UN Convention against Transnational Organised Crime - Protocol on the Prevention of Illegal Arms Trade and the OSCE Joint Action on the Prevention of Illegal Arms Trade, which define the obligatory issuing of permits for brokering (this has been already legally settled for military weapons), the obligatory marking of weapons upon importation and the sanctioning of illicit brokering in arms trade (proposal to amend Article 310 of the Penal Code was submitted in 2002).

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Security Council

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Security Council Committee established pursuant to resolution 1267 (1999)

Letter dated 17 April 2003 from the Deputy Permanent Representative of Pakistan to the United Nations addressed to the Chairman of the Committee

Kindly refer to your fax message dated 4 March 2003.

I am enclosing the report of Pakistan prepared in pursuance of Security Council resolution 1455 (2003), in accordance with the guidelines issued by the Committee (see annex).

(*Signed*) Masood **Khalid**
Deputy Permanent Representative

03-35288 (E) 060603

Annex to the letter dated 17 April 2003 from the Deputy Permanent Representative of Pakistan to the United Nations addressed to the Chairman of the Committee

Report of Pakistan to the 1267 Committee on implementation of United Nations Security Council resolution 1455 (2003)

I. Introduction

1. *Please provide a description of activities, if any, by Osama Bin Laden, Al-Qaida, the Taliban and their associates in your country, the threat they pose to the country and the region, as well as likely trends.*

Answer

Pakistan is a key member of the international coalition against terrorism. A sizable number of Pakistan's security forces are deployed along the border with Afghanistan to prevent the infiltration of Al-Qaida, Taliban and their associates into Pakistan territory. A large number of the personnel of our security forces have lost their lives in the operations against the terrorists. The effectiveness of Pakistan's counter-terrorism measures is evident from the fact that over 500 terrorist suspects have been apprehended by Pakistan's law enforcement agencies since 11 September 2001. In view of the clear and strong commitment of the government of Pakistan to combat terrorism and the strong measures taken to apprehend and bring to justice any terrorists found in Pakistan, the possibilities of any "activities" in Pakistan by Osama Bin Laden, Al-Qaida, the Taliban and their associates are almost non-existent. The possibilities of isolated instances of infiltrations across the long and porous border cannot be ruled out, but the success of the operations against the terrorists in order to bring them to justice is serving as a very strong deterrent against such attempts by the terrorists and their associates.

The Al-Qaida network in Afghanistan has since been dismantled and the terrorists are on the run. The Taliban regime has been replaced by a dispensation under the Bonn Agreement. Neither Al-Qaida, nor the Taliban retain any organized force or a command and control structure. Therefore, Al-Qaida, Taliban and their associates no longer pose any major threat to Pakistan or the region. There is, however, a continuing threat of terrorist activities by splinter groups. This threat is also likely to subside with the passage of time, as the situation in Afghanistan improves further and the anti-terrorism measures in Pakistan are further strengthened.

This, however, does not imply any lowering of guard. Being a victim of international terrorism, Pakistan has a vested interest in maintaining the vigil against terrorism in a robust manner. Besides the measures at the national level, this requires close coordination under UN auspices at the international level, which, in general terms, is forthcoming.

II. Consolidated List

2. *How has the 1267 Committee's List been incorporated within your legal system and your administrative structure, including financial supervision, police, immigration control, customs and consular authorities?*

Answer

Action against the individuals and entities contained in the 1267 Committee List is taken under the legal umbrella of Anti-Terrorism Act of 1997, which was amended in August 2001. The existing framework provides ample cover for actions in accordance with the relevant UN resolutions and other anti-terrorism instruments. Nevertheless, the anti-terrorism legal framework

is under a process of constant review with a view to making it more effective and bringing it up to the international standards and in conformity with the requirements of the relevant U.N. resolutions and other instruments.

The mechanism of the dissemination of the 1267 Committee List among all the authorities concerned is now well streamlined. All concerned authorities throughout the country and abroad have access to the List through Internet as well as through the national mechanism. All information concerning the 1267 Committee List is received in the National Focal Point, established in the Ministry of Foreign Affairs, headed by Additional Foreign Secretary in charge of United Nations Affairs. Advice for necessary action is issued immediately to all concerned including the Ministry of Finance and the Ministry of Interior. The two Ministries in turn issue necessary advice to their subordinate authorities namely the police, immigration, banking and non-banking institutions, customs and consular offices, etc. Necessary advice is also relayed by the National Focal Point in the Ministry of Foreign Affairs simultaneously to the State Bank of Pakistan for issuance of necessary administrative orders to the banking and non-banking institutions.

3. *Have you encountered any problems with implementation with regard to the names and identifying information as currently included in the List? If so, please describe these problems.*

Answer

In some cases, detailed particulars are not given in the List. This has been causing difficulties in identification of individuals.

4. *Have your authorities identified inside your territory any designated individuals or entities? If so, please outline the actions that have been taken.*

Answer

Pakistan law enforcement agencies have so far apprehended about 500 terrorism suspects, including high profile Al-Qaida activists like Ramzi Bin Al-Shaiba, Khalid Sheikh Muhammad and Abu Yasir Al-Jaziri. Some of the individuals referred to above are being dealt with in accordance with the law within the country and others have since been extradited.

5. *Please submit to the Committee, to the extent possible, the names of individuals or entities associated with Osama Bin Laden or members of the Taliban or Al-Qaida that have not been included in the List, unless to do so would compromise investigations or enforcement actions.*

Answer

This matter is being examined in consultation with the concerned authorities.

6. *Have any listed individuals or entities brought a lawsuit or engaged in legal proceedings against your authorities for inclusion in the List? Please specify and elaborate, as appropriate.*

Answer

Yes. M/S Al Rashid Trust has filed a petition against freezing of its assets with the Sindh High Court (the high court of the southern province of Sindh). The government is defending the

case. The petition is still under consideration of the court. The Monitoring Group has been requested to provide evidence/information in support of the freezing of accounts of Al Rashid Trust in order to strengthen the case in the court.

7. *Have you identified any of the listed individuals as nationals or residents of your country? Do your authorities have any relevant information about them not already included in the List? If so, please provide this information to the Committee as well as similar information on listed entities, as available.*

Answer

This matter is being examined in consultation with the authorities concerned.

8. *According to your national legislation, if any, please describe any measures you have taken to prevent entities and individuals from recruiting or supporting Al-Qaida members in carrying out activities inside your country, and to prevent individuals from participating in Al-Qaida training camps established in your territory or in another country.*

Answer

There are no Al-Qaida training camps in Pakistan territory. Al-Qaida is a banned organization in Pakistan. Recruitment of individuals, providing support in any other form or establishing training camps would lead to action under the law. Strict punishments have been prescribed in the Anti Terrorism Act for membership of and giving support to or cooperating with terrorist entities in any form. Activities such as fund raising, directing the activities, printing/publishing and dissemination of material by or on behalf of terrorist entities are banned. It is also not allowed to carry out any kind of training in firearms, explosives, chemical or biological weapons.

III. Financial and Economic Asset Freeze

9. *Please describe briefly:*

- *The domestic legal basis to implement the asset freeze required by the resolutions above;*
- *Any impediments under your domestic law in this context and steps taken to address them.*

Answer

The State Bank of Pakistan (SBP) issues directives/ advisories to banks/Non-banking financial institutions (NBFIs) for freezing of accounts in compliance with UN Security Council resolutions. All banks and NBFIs are advised to confirm compliance with the instructions of SBP. Any bank/NBFI found violating the regulations, rules of business and directives is penalized. Violations may also lead to calling of explanation from the Chief Executive/President of banks/NBFIs and initiation of administrative and legal action against violators.

Anti Terrorism Act 1997

Measures to be taken against a proscribed organization under the Anti Terrorism Act 1997 include:

(a) Its office, if any, shall be sealed;

(b) Its accounts, if any, shall be frozen.
(c) The proscribed organization shall submit all accounts of its income and expenditure and disclose all funding sources to the competent authority designated by the Federal Government.

The Anti Terrorism Act 1997 contains the following provisions for provisional seizure of assets likely to be used in the commission of offences relating to terrorism and its financing:

Section 11 O:

An officer authorized by the Provincial Government in this behalf, hereinafter referred to as the "authorized officer", may seize and detain any cash recovered, if he has reasonable grounds for suspecting that:

(a) it is intended to be used for the purposes of terrorism;
(b) it forms the whole or part of the resources of a proscribed organization, and includes any cash which is applied or made available, or is to be applied or made available for use by the organization whether being imported into, or exported from, Pakistan; or
(c) it is terrorist property within the meaning given in section 2 (aa):

Provided that any cash seized under this section shall be released not later than the end of the period of 48 hours, beginning with the time when it is seized, unless an application has been made to the court under section II P and an order has been obtained for its detention for a further period.

Section 11 P:

Allows the authorized officer to obtain an order from the court for further detention of the cash pending completion of an investigation of its origin or derivation.

Legislation and procedure for forfeiture of assets

The Anti Terrorism Act 1997 contains the following provisions for forfeiture of assets after the conviction of an offence relating to terrorism:

Section 11 Q:

(1) The Court by or before which a person is convicted of an offence under any of the sections 11H to 11M may make a forfeiture order in accordance with the provisions of this section.

(2) Where a person is convicted of an offence under section 11 H (1) or (2) or section 11-I, the Court may order the forfeiture of any money or other property:

(a) which, at the time of offence he had in his possession or under his control; and
(b) which, at that time, he intended should be used, or had reasonable cause to suspect might be used, for the purposes of terrorism.

(3) Where a person has been convicted under Section 11 H(3), the court may order the forfeiture of any money or other property:

(a) which, at the time of the offence, he had in his possession or under his control, and
(b) which, at the time he knew or had reasonable cause to suspect would or might be used for the purposes of terrorism.

(4) Where a person is convicted of an offence under section 11J, the court may order the forfeiture of the money or other property:

(a) to which the arrangement in question related;
(b) which, at the time of the offence, he knew or had reasonable cause to suspect would or might be used for the purposes of terrorism.

(5) Where a person is convicted of an offence under section 11K, the court may order the forfeiture of the money or other property to which the arrangement in question related.

(6) Where a person is convicted of an offence under any of the sections 11H to 11K, the Court may order forfeiture of any money or other property which wholly or partly, and directly or indirectly, is received by any person as a payment or other reward in connection with the commission of the offence.

Impediments: No specific impediments have been reported by the concerned authorities so far.

10. Please describe any structures or mechanisms in place within your Government to identify and investigate Osama Bin Laden, Al-Qaida or Taliban-related financial networks, or those who provide support to them or individuals, groups, undertakings and entities associated with them within your jurisdiction. Please indicate, as appropriate, how your efforts are coordinated nationally, regionally and/or internationally.

Answer

The following legislation and procedures exist for monitoring of suspicious monetary transactions.

(I) Prudential Regulations of the State Bank of Pakistan. The State Bank Prudential Regulations, issued under section 41 of Banking Companies Ordinance of 1962, have the force of law. Prudential Regulation XII requires banks to monitor suspicious financial transactions as follows:

(a) Before extending banking services, banks shall make reasonable efforts to determine the true identity of customers. Particular care should be taken to identify ownership of all accounts and those using safe-custody facilities. Effective procedures should be instituted for obtaining identification from new customers. An explicit policy should be devised to ensure that significant business transactions are not conducted with customers who fail to provide evidence of their identity.
(b) Banks shall ensure that banking business is conducted in conformity with high ethical standards and that banking laws and regulations are adhered to. Banks should not set out to offer service or provide assistance in transactions,

which in their opinion are associated with money derived from illegal activities.

(c) Specific procedures be established for ascertaining customer's status and his source of earnings, for monitoring of accounts on a regular basis, for checking identities and bona fides of remitters and beneficiaries, for retaining internal record of transactions for future reference. The transactions which are out of character with the normal operation of the account involving heavy deposits/withdrawals/transfers should be viewed with suspicion and properly investigated.

(d) For an effective implementation of banks' policy and procedures, suitable training be imparted to members of staff and they be informed of their responsibilities in this regard.

(e) Banks may make arrangements for setting up an Internal Audit System in order to establish an effective means of testing/checking and compliance with the bank policy and procedures established by it.

(II) Rule of Business 22 outlines guidelines to NBFIs for preventing money laundering activities and other unlawful trades by establishing procedures for ascertaining status and source of earnings of the customers and regular monitoring of accounts and suspicious transactions.

(III) The Anti Money Laundering law aims at setting up a National Financial Intelligence Centre (NFIC), which will be headed by a Director General, appointed by the President of Pakistan. It will operate under the general supervision of the Minister of Finance. NFIC will exercise independent decision-making authority on day to day matters and will have the following functions:

- Act as an intermediary/buffer between the financial institutions, which will be required to file Suspicious Activity Reports (SAR) and the police who will be investigating the report.
- Once the NFIC receives an SAR from the banks and other financial institutions it will collect other information from the government as necessary to determine whether the SAR should be turned over to the Federal Investigation Agency (FIA), National Accountability Bureau (NAB) or Anti Narcotics Force (ANF), for further investigation.
- NFIC will have the authority to share and receive information from other financial intelligence units around the world.

11. Please convey the steps banks and/or other financial institutions are required to take to locate and identify assets attributable to, or for the benefit of, Osama Bin Laden or members of Al-Qaida or the Taliban, or associated entities or individuals. Please describe any 'due diligence' or 'know your customer' requirements. Please indicate how these requirements are enforced, including the name and activities of agencies responsible for oversight.

Answer

As explained in response to question No.10 above. Revised and more stringent "Know Your Customer" guidelines have recently been circulated by the State Bank of Pakistan.

12. Resolution 1455 (2003) calls on Member States to provide "a comprehensive summary of frozen assets of listed individuals and entities". Please provide a list of the assets that have been

frozen in accordance with this resolution. This list should also include assets frozen pursuant to resolutions 1267 (1999), 1333 (2001) and 1390 (2002). Please include, to the extent possible, in each listing the following information:

- *Identification (s) of the person or entities whose assets have been frozen;*
- *A description of the nature of the assets frozen (i.e., bank deposits, securities, business assets, precious commodities, works of art, real estate property, and other assets);*
- *The value of assets frozen.*

Answer

A detailed statement is attached at annex-1.

13. Please indicate whether you have released pursuant to resolution 1452 (2002) any funds, financial assets or economic assets that had previously been frozen as being related to Osama Bin Laden or members of the Al-Qaida or the Taliban or associated individuals or entities. If so, please provide reasons, amounts unfrozen or released and dates.

Answer

None reported by the concerned authorities so far.

14. Pursuant to resolutions 1455 (2003), 1390 (2001), 1333 (2000) and 1267 (1999), States are to ensure that no funds, financial assets or economic resources are made available, directly or indirectly, to Listed individuals or entities or for their benefit, by nationals or by any persons within their territory. Please indicate the domestic legal basis, including a brief description of laws, regulations and/or procedures in place in your country to control the movements of such funds or assets to designated individuals and entities .This section should include a description of:

- *The methodology, if any, used to in force banks and other financial institutions of the restrictions placed upon individuals or entities listed by the Committee, or who have otherwise been identified as members or associates of Al-Qaida or the Taliban. This section should include an indication of the types of institutions informed and the methods used.*
- *Required bank-reporting procedures, if any, including the use of Suspicious Transaction Reports (STR), and how such reports are reviewed and evaluated.*
- *Requirements, if any, placed on financial institutions other than banks to provide STR, and how such reports are reviewed and evaluated.*
- *Restrictions or regulations, if any, placed on the movement of precious commodities such as gold, diamonds and other related items.*
- *Restrictions or regulations, if any, applicable to alternate remittance systems such as – or similar to – "hawala", as well as on charities, cultural and other non-profit organizations engaged in the collection and disbursement of funds for social or charitable purposes.*

Answer

The following legal provisions exist in Pakistan for suppressing the financing of terrorism:

Anti-Terrorism Act 1997

- Section 2(aa) gives a definition of "terrorist property"
- Section 11E(2) requires proscribed organization to submit all accounts of its income and expenditure for its political and social welfare activities and disclose all funding sources to the competent authority designated by the Federal Government.
- Section 11 F(5) makes it an offence for a person to solicit, collect or raise funds for a proscribed organization.
- Section 11 H to 11 K specifically criminalize various forms of terrorism financing, including directly and indirectly, inciting others to finance and aiding and abetting.

Section 11 H:

(1) A person commits an offence if he:
(a) invites another to provide money or other property;
(b) intends that it should be used, or has reasonable cause to suspect that it may be used, for the purpose of terrorism;

(2) A person commits an offence if he:
(a) receives money or other property;
(b) intends that it should be used , or has reasonable cause to suspect that it may be used for the purposes of terrorism.

(3) A person commits an offence if he:

(a) provides money or other property;
(b) knows or has reasonable cause to suspect that it will or may be used for the purposes of terrorism.

Section 11 I

A person commits an offence if:

(1) he uses money or other property for the purposes of terrorism; or
(2) he: (a) possesses money or other property; and (b) intends that it should be used, or has reasonable cause to suspect that it may be used for the purposes of terrorism.

Section 11J

A person commits an offence if he:

(a) enters into or becomes concerned in an arrangement as a result of which money or other property is made available or is to be made available to another; and
(b) has reasonable cause to suspect that it will or may be used for the purposes of terrorism.

Section 11 K

(1) A person commits an offence if he enters into or becomes concerned in any arrangement which facilitates the retention or control, by or on behalf of another person, of terrorist property:

(a) by concealment;
(b) by removal from the jurisdiction;
(c) by transfer to nominees; or
(d) in any other way.

(2) It is a defense for a person charged with an offence under sub-section (1) to prove that he did not know and had no reasonable cause to suspect that the arrangement related to terrorist property.

Methodology:

The State Bank of Pakistan, on the directive of the Ministry of Finance, issues directives/ advisories to banks/Non-banking financial institutions (NBFIs) for freezing of accounts in compliance with UN Security Council resolutions. All banks and NBFIs are advised to confirm compliance with the instructions of SBP.

STR:

The proposed law on Anti Money Laundering aims at setting up a National Financial Intelligence Centre (NFIC), which will be headed by a Director General, appointed by the President of Pakistan. It will operate under the general supervision of the Minister of Finance. NFIC will exercise independent decision-making authority on day to day matters and will have the following functions:

- Act as an intermediary/buffer between the financial institutions, which will be required to file Suspicious Activity Reports (SAR) and the police who will be investigating the report.
- Once the NFIC receives an SAR from the banks and other financial institutions it will collect other information from the government as necessary to determine whether the SAR should be turned over to the Federal Investigation Agency (FIA), the National Accountability Bureau (NAB) or the Anti Narcotics Force (ANF), for further investigation.
- NFIC will have the authority to share and receive information from other financial intelligence units around the world.

Alternative Money Transfer Agencies/ "Hawala" System

Inward/outward remittances allowed only through Authorized Dealers or Exchange Companies. A draft Ordinance to amend the Foreign Exchange Regulation Act 1947 is being prepared.

The main objective behind the formulation of Exchange Companies is to provide a proper corporate structure to the money changing business in the country, while ensuring that various types of risks associated with this business are properly addressed. Another objective is to get all money changing and remitting transactions fully documented.

Some of the salient features of the proposed Ordinance are as follows:

- Definition of Exchange Companies.
- Description of Exchange Companies scope of dealings/business.
- Transactions of the Exchange Companies to be fully documented.
- Exchange Companies to report their transactions to State Bank in the form of periodic returns.

IV. Travel ban

Under the sanctions regime, all States shall take measures to prevent the entry into or transit through their territories of Listed individuals (paragraph 1 of resolution 1455 (2002), paragraph 2b of resolution 1390 (2002).

15. Please provide an outline of the legislative and/or administrative measures, if any, taken to implement the travel ban.

Answer

The names of the designated individuals/entities have been communicated to all our ports of entry and exit. No person whose name is included in the List can now enter or leave Pakistan without being detected.

Pakistan borders are secured through its Border Security Force, Levies, Anti Narcotics Force, Rangers, Frontier Corps and the Armed Forces. Following the terrorist attacks of 11 September 2001, security measures and border controls along the Pakistan-Afghanistan border have been tightened further. Entry of foreigners is being strictly regulated through visas issued by Pakistan Embassies.

In case of suspicion, foreign nationals arriving in Pakistan are directed to report to nearest Foreigners Registration Office for registration, as provided in the Registration of Foreigners Rules. A stamp to this effect is affixed on their passports. They are also required to obtain exit permit from the Foreigners Registration Office before leaving the country. Such persons are subjected to strict scrutiny at airports at the time of departure.

Special Procedures to deal with persons arriving from Afghanistan

In order to prevent illegal border crossings along the Pakistan-Afghanistan border, Joint Interrogative Teams (JIT) have been set up and Standing Operating Procedures have been instituted. These measures are designed to arrest and detain criminals wanted under national and international law.

In addition to these measures, regular troops have been deployed along the Pakistan-Afghanistan border and air surveillance is being carried out to prevent the entry into Pakistan of any terrorist from Afghanistan.

The Foreigners Act 1946

The provisions of the Foreigners Act of 1946, applicable to all foreigners, are handy tools for dealing with terrorists. Section 3 of the Foreigners Act 1946 empowers the Government to make provisions for prohibiting, regulating or restricting the entry of foreigners into Pakistan, or their departure there from or their presence or continued presence therein. The orders provide that a foreigner:

(a) Shall not enter Pakistan or shall enter Pakistan only at such times and by such route and at such port or place and subject to the observance of such conditions on arrival as may be prescribed.

(b) Shall not depart from Pakistan or shall depart only at such times and by such route and from such port or place and subject to the observance of such conditions on departure as may be prescribed.
(c) Shall not remain in Pakistan or any prescribed area therein.
(d) Shall remove himself to, and remain in, such area in Pakistan as may be prescribed.
(e) Shall comply with such conditions as may be prescribed or specified:
- Requiring him to reside in a particular place.
- Imposing any restriction on his movements.
- Requiring him to furnish such proof of his identity and to report such particulars to such authority in such manner and at such time and place as may be prescribed or specified.
- Requiring him to allow his photograph and finger-impressions to be taken and to furnish specimens of his handwriting and signature to such authority and at such time and place as may be prescribed or specified.
- Requiring him to submit himself to such medical examination by such authority and at such time and place as may be prescribed or specified.
- Prohibiting him from association with persons of a prescribed or specified description.
- Prohibiting him from engaging in activities of a prescribed or specified description.
- Prohibiting him from using or possessing prescribed or specified articles.
- Otherwise regulating his conduct in any such particular way as may be prescribed or specified.

(f) Shall enter into a bond with or without sureties for the due observance of or as an alternative to the enforcement of any of all prescribed or specified restrictions or conditions.
(g) Shall be arrested and, in the interest of the security of Pakistan, detained or confined.

16. Have you included the names of the listed individuals in your national "stop list" or border checkpoint list? Please briefly outline steps taken and any problems encountered.

Answer

Yes. The List is accessible to all concerned authorities at the airports, border check posts, immigration offices, etc.

17. How often do you transmit the updated List to your border control authorities? Do you possess the capability of searching List data using electronic means at all your entry points?

Answer

Changes to the List are transmitted to all concerned immediately. All international airports are now equipped with computer systems. There is need for upgrading the system. This would require considerable investment on training of personnel, procurement of equipment and development of infrastructure.

18. Have you stopped any of the listed individuals at any of your border points or while transiting your territory? If so, please provide additional information, as appropriate.

Answer

Some of terrorist suspects have been arrested while crossing the Western borders.

19. Please provide an outline of the measures, if any, taken to incorporate the List in the reference database of your Consular offices. Have your visa-issuing authorities identified any visa applicant whose name appears on the List?

Answer

All concerned authorities dealing with consular matters have access to the List, which is not of much help as the terrorists would not like to enter Pakistan using their actual names. Visa issuing authorities have so far not identified any one on the List.

V. Arms Embargo

Under the sanctions regime, all States are requested to prevent the direct or indirect supply, sale and transfer, to Osama Bin Laden, members of Al-Qaida organization and the Taliban and other individuals and entities associated with them, from their territories or by their nationals outside their territories of arms and related material of all types, including the provision of spare parts and technical advice, assistance, or training related to military activities (paragraph 2© of resolution 1390 (2002) and paragraph 1 of resolution 1455 (2003).

20. What measures, if any, do you now have in place to prevent the acquisition of conventional arms and weapons of mass destruction (WMD) by Osama Bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them? What kind of export control do you have in place to prevent the above targets from obtaining the items and technology necessary for weapons development and production?

Answer

Sale and purchase of arms and explosives is strictly regulated in Pakistan. Arms are sold only by authorized dealers to only license holders. Surrender of illicit Arms Act 1991 has been strictly enforced throughout Pakistan. Severe punishments have been prescribed under the Act, which include life imprisonment and confiscation of movable and immovable property. Under this Act, illicit arms include canons, all types of explosive substances, containers, grenades, bombs and shells, fire-arms, rifles, carbines, muskets, shotguns, revolvers, pistols, and appliances used for the silencing of fire-arms. The Act contains provisions of rewards for those who help in the successful recovery of illicit arms.

Pakistan follows most stringent controls over export of arms. The procedures for issuance of arms export license are thorough and fail-proof. In the area of arms trafficking, Pakistan is implementing a serious and long-term programme of de-weaponisation. Eliminating illicit trade in small arms and light weapons is an essential goal of this programme.

As regards WMD, Pakistan is a state party to the Chemical Weapons Convention and the Biological Weapons Convention. These treaties completely prohibit the development, stockpiling, and use of chemical and biological weapons. As a state party, Pakistan is in full compliance of its obligations. Pakistan also supports the provisions on cooperation contained in these treaties.

Pakistan's national authorities concerned implement internationally agreed guidelines for the safety of nuclear materials and facilities. Pakistan has established fail-safe procedures in the area of nuclear materials safety with oversight of highly responsible national organizations.

In view of the non-existence of chemical and biological weapons in Pakistan, the existence of fail-proof safety and control arrangements for Pakistan's nuclear facilities, the stringent control measures governing arms exports, the comprehensive measures taken for curbing arms trafficking and the extraordinary arrangements made for the surveillance of the border with Afghanistan, the possibilities of acquisition of conventional arms and WMD by Al-Qaida, the Taliban and their associates from Pakistani sources are virtually non-existent.

21. What measures, if any, have you adopted to criminalize the violation of the arms embargo directed at Osama Bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them?

Answer

Strict action will be taken against violators of the arms embargo under the Anti Terrorism Act, which provides for criminalizing those violating the arms embargo against Osama Bin Laden, members of Al-Qaida and the Taliban, as follows:

- A person commits an offence if he:

  (a) directs, at any level, whilst resident in Pakistan or abroad, activities of an organization concerned with the preparation, instigation or commission of acts of terrorism;
  (b) directs from within the country or abroad, activities connected with the commission, preparation or investigation of acts of terrorism.
- Section 21C makes it an offence to provide or receive training in the making or use of firearms, explosives, or chemical, biological and other weapons and provide or receive training in acts of terrorism.
- Section 21I makes it offence to aid or abet any offence under the Act.

22. Please describe how your arms/arms broker licensing system, if any, can prevent Osama Bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them from obtaining items under the established arms embargo.

Answer

Arms licenses are issued after thorough verification by police. If the antecedents of an individual are not verified by the police, he/she is not issued a license. The procedures for issuance of arms export license are thorough and fail-proof. In the area of arms trafficking, Pakistan is implementing a serious and long-term programme of de-weaponisation. Eliminating illicit trade in small arms and light weapons is an essential goal of this programme. Severe punishments have been prescribed under the Act for those violating the law, including life imprisonment and confiscation of movable and immovable property.

23. Do you have any safeguards that the weapons and ammunition produced within your country will not be diverted/used by Osama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated?

Answer

Yes. Sufficient safeguards are available, as explained in response to Questions No.20- 22 above.

VI. Assistance and conclusion

24. Would your state be willing or able to provide assistance to other States to help them implement the measures contained in the above-mentioned resolutions? If so, please provide additional details or proposals.

Answer

Pakistan is a developing country and is itself in need of technical assistance. Nevertheless, Pakistan is ready and willing to share its counter terrorism experience with other countries, in accordance with the relevant UN resolutions and on reciprocal basis.

25. Please identify areas, if any, of any incomplete implementation of the Taliban/Al-Qaida sanctions regime, and where you believe specific assistance or capacity building would improve your ability to implement the above sanctions regime.

Answer

The implementation by Pakistan of the Al-Qaida/Taliban sanctions regime is complete in every respect. Financial and technical assistance is required in the contexts of dissemination of information, financial and economic asset freeze, border and immigration control and implementation of the arms embargo, in the areas of training of personnel, acquisition of critical equipment, capacity building and infrastructure development, etc.

26. Please include any additional information you believe pertinent.

Answer

Pakistan has taken wide-ranging measures to combat international terrorism and curb militancy, extremism and sectarianism at home. Sectarian and extremist organizations like Lashkar-e-Jhangvi, Sipah-e-Muhammad, Sipah-e-Sahaba, Tehrik-e-Jafria Pakistan (TJP) and Tehrik-e-Nifaz-e-Shariat Mohammadi (TNSM) have been banned. A comprehensive Madressah Registration Ordinance is being promulgated and steps have been taken to prevent the misuse of mosques for political purposes.

The anti-terrorism drive inside the country to hunt down suspected terrorists has met with great success. About 500 Al-Qaida and other terrorism suspects have been apprehended since 11 September 2001. Arrests of Al-Qaida members Khalid Sheikh Mohammad, Abu Zubaidah and Ramzi bin Alshibh are major achievements in this regard.

Last year Pakistan acceded to the UN Convention on Suppression of Terrorist Bombings and signed the OIC Convention on Combating International Terrorism. We have, thus, signed/ratified eleven out of the twelve UN Conventions and Protocols on terrorism, besides the OIC convention. The remaining conventions are being examined actively.

United Nations S/AC.37/2003/(1455)/36

Security Council

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Security Council Committee established pursuant to resolution 1267 (1999)

Letter dated 17 April 2003 from the Permanent Representative of Brazil to the United Nations addressed to the Chairman of the Committee

In response to your letter dated 4 March 2003, I have the honour to enclose herewith an updated report on the steps taken by the Government of Brazil to implement the measures imposed by Security Council resolutions 1267 (1999), 1333 (2000) and 1390 (2002), as requested by the Security Council in resolution 1455 (2003).

(*Signed*) Ronaldo Mota **Sardenberg**
Ambassador
Permanent Representative

03-35234 (E) 060603

Annex to the letter dated 17 April 2003 from the Permanent Representative of Brazil to the United Nations addressed to the Chairman of the Committee

Report to the Security Council Committee established by resolution 1267 (1999), pursuant to paragraphs 6 and 12 of resolution 1455 (2003)

I. Introduction

1. Please provide a description of activities, if any, by Usama Bin Laden, Al-Qaida, the Taliban and their associates in your country, the threat they pose to the country and the region, as well as likely trends.

Until the present date, no persons against whom exist restrictions/sanctions concerning admission, transit or departure to/from Brazilian territory have been located in Brazil. In accordance with international law, Brazil is fully committed to the implementation of all resolutions of the Security Council of the United Nations concerning threats to peace and security in its various forms.

II. Consolidated List

(to be circulated to member states every three months)
www.un.org/Docs/sc/committees/1267/1267ListEng.htm

2. How has the 1267 Committee's List been incorporated within your legal system and your administrative structure, including financial supervision, police, immigration control, customs and consular authorities?

The resolutions of the Security Council of the United Nations are incorporated in Brazilian domestic law by a decree of the President of the Republic. Certain prohibitions, such as diplomatic sanctions and restrictions to the transit of people, do not require specific legislation to be put into effect, since the Government is already competent to adopt the necessary measures based on existing legislation.

Sanctions adopted against Usama Bin Laden, Al-Qaida, the Taliban and their associates have been incorporated to Brazilian legislation by the following normative acts:

a) Decree 4.150, of 6 March 2002 [Resolution 1390 (2002) of the Security Council, of 16 January 2002];

b) Decree 4.142, of 22 February 2002 [Resolution 1.388(2002) of the Security Council, of 15 January 2002];

c) Decree 3.755, of 19 February 2001[Resolution 1.333(2000) of the Security Council, of 19 December 2000];

d) Decree 3.267, of 30 November 1999 [Resolution 1.267(1999) of the Security Council, of 15 October 1999].

e) Decree 4599, of 19 February 2003 [Resolution 1.455(2003) of the Security Council, of 17 January 2003].

3. Have you encountered any problems with implementation with regard to the names and identifying information as currently included in the List? If so, please describe these problems.

No.

4. Have your authorities identified inside your territory any designated individuals or entities? If so, please outline the actions that have been taken.

No. Until the present date, the above mentioned individuals have not been located in Brazil.

5. Please submit to the Committee, to the extent possible, the names of individuals or entities associated with Usama Bin Laden or members of the Taliban or Al-Qaida that have not been included in the List, unless to do so would compromise investigations or enforcement actions.

Until the present date, the Brazilian Government has neither identified any member of the Taliban or Al-Qaida in its Territory nor is in possession of intelligence data that permits any inclusion of suspects in the List. See item 1.

6. Have any listed individuals or entities brought a lawsuit or engaged in legal proceedings against your authorities for inclusion in the List? Please specify and elaborate, as appropriate.

No. See item 1. See item 5.

7. Have you identified any of the listed individuals as nationals or residents of your country? Do your authorities have any relevant information about them not already included in the List? If so, please provide this information to the Committee as well as similar information on listed entities, as available.

No. See item 1. See item 5.

8. According to your national legislation, if any, please describe any measures you have taken to prevent entities and individuals from recruiting or supporting Al-Qaida members in carrying out activities inside your country, and to prevent individuals from participating in Al-Qaida training camps established in your territory or in another country.

This question has already been answered in previous reports to the Counter-Terrorism Committee of the United Nations Security Council, concerning the application of Resolution 1373 (2001), as well as in the report dated March 2002 to the Committee of the United Nations Security Council concerning the application of Resolution 1390 (2002).

Counter-Terrorism Committee of the United Nations Security Council, concerning the application of Resolution 1373 (2001)

Report dated 26 December 2001 (S/2001/1285):

- See item 2, concerning paragraph 1 of Resolution 1373 (2001) (measures taken to suppress the financing of terrorist acts).
- See item 3, concerning paragraph 1 (b) of Resolution 1373 (2001) (measures taken to criminalise the wilful provision or collection of funds in order to carry out terrorist acts).
- See item 5, concerning paragraph 1(d) of Resolution 1373 (2001) (measures taken to prohibit nationals and legal entities from making funds, assets or economic resources and other services that favour the commission of terrorist acts available).
- See item 6, concerning paragraph 2 of Resolution 1373 (2001) (legislation in effect to criminalise any provision of support, active or passive, to persons involved in terrorist acts, including measures taken to suppress recruitment of members of terrorist groups, as well as the supply of weapons to terrorists).
- See item 7, concerning paragraph 2 (b) of Resolution 1373 (2001) (other measures taken to avoid the commission of terrorist acts including the provision of early warnings and exchange of information. Explains the National Public Security Plan, of June 2000; as well as the implementation of domestic and international measures in areas concerning nuclear materials, chemicals, and biological materials.
- See item 8, concerning paragraph 2 (c) of Resolution 1373 (2001) (measures taken to deny safe haven to those who finance, plan, support, or commit terrorist acts, or provide safe haven, specially compulsory measures to exclude and expel individuals, such as extradition, deportation and expulsion).
- See item 10, concerning paragraph 2 (d) of Resolution 1373 (2001) (measures taken to establish terrorist acts as serious criminal offences).
- See items 11, 13, 14, 15, 17 concerning paragraphs 2 (f); 3; 3 (b); 3 (c) and 3(e) of Resolution 1373 (2001) (measures, procedures and mechanisms in place to assist as well as to cooperate with other countries to repress the financing, support, and the commission of terrorist acts, including forfeiture and preventive measures).
- See item 12, concerning paragraph 2 (g) of Resolution 1373 (2001) (measures taken to prevent the movement of terrorist groups).

Report dated 8 July 2002 (S/2002/796)

- See item 1, concerning paragraph 1 (a) of Resolution 1373 (2001) (provisions of act 9.613/98 to suppress the financing of terrorist acts).
- See item 2, concerning paragraph 1 (b) of Resolution 1373 (2001) (measures taken to criminalise the wilful provision or collection of funds in order to carry out terrorist acts. Additional information about Brazilian money laundering legislation).
- See item 4, concerning paragraph 1(d) of Resolution 1373 (2001) (legal provisions that govern the collection and use of funds by bodies, such as charitable institutions).

- See item 5, concerning paragraph 2 (a) of Resolution 1373 (2001) (Additional information about Brazilian legislation that criminalise recruitment in Brazil to terrorist groups outside Brazil).
- See item 6, concerning paragraph 2 (b) of Resolution 1373 (2001) (Additional information about early warnings systems to prevent the commission of terrorist acts)
- See item 7, concerning paragraph 2 (c) of Resolution 1373 (2001) (detailed provisions in Brazilian legislation about co-operation on matters of criminal investigation and judicial procedure)
- See item 8, concerning paragraph 2 (d) of Resolution 1373 (2001) (detailed information about provisions of law that prohibit providing support to terrorism outside Brazil).
- See item 10, concerning paragraph 2 (g) of Resolution 1373 (2001) (information about federal and provincial co-operation mechanisms to ensure border control).
- See items 11, 12, 13 concerning paragraphs 3 (d); 3(f); 3(g) of Resolution 1373 (2001) (implementation of relevant international conventions and protocols concerning terrorism).

Report dated 15 March 2003:

See Item 1.3 that reads:

"The wilful provision or collection, by any means, directly or indirectly, of funds by the nationals of Brazil or in its territory with the intention that the funds should be used, or in the knowledge that they are to be used, in order to carry out terrorist acts has already been criminalised in Brazil.

Act 7.170/83[1], Article 20, punishes wilful terrorism financing: "*To cause havoc, to plunder, to extort, to steal, to kidnap, to keep in home-imprisonment, to burn down, to depredate, to provoke explosion, to practice personal assault or acts of terrorism, for political reasons or for the obtention of funds that are destined to the maintenance of clandestine or subversive organisations*".[2] Terrorist organisations may extort ordinary people, the same way Mafia-like organisations do, in order to finance their criminal activities. One of the key characteristics of terrorist organisations is their political motivation and their clandestine nature. The penalty for wilful terrorism financing varies from 3 to 30 years of prison.

Act 7.170/83, Article 24, also punishes a different variation of wilful terrorism financing: "*To recruit, to be part of or to sustain military-like illegal organisations, of any kind, of armed nature or not, with or without uniform, with goal of combat*".[3] Whoever sustains a military-like illegal organisation, supports, finances this organisation. From the perspective of Brazilian legislation, terrorist organisations may be considered military-like organisations, since the majority of them have the goal of combat. In light of Article 24, wilful terrorism financing is not ancillary to terrorist acts. Even if terrorist acts have not

[1] Bill n. 7.710, of 14 December 1983 "*Defines the crimes against National Security, social and political order, and establishes the legal procedure for the judgement of such offences and other provisions.*"
[2] See Act 7.170/83 at "*Presidência da República*"; "*Subchefia para Assuntos Jurídicos*" http://www.planalto.gov.br/ccivil_03/Leis/L7170.htm
[3] Ibiden.

been committed, one may commit wilful terrorism financing. To sustain, to support, and to finance terrorist organisations is all that Act 7.170/83, Article 24, requires. The penalty for wilful terrorism financing varies from 2 to 8 years in prison."

III. Financial and Economic Asset Freeze

Under the sanctions regime (paragraph 4(b) of resolution 1267 (1999) and paragraphs 1 and 2(a) of resolution 1390 (2002)), States are to freeze without delay the funds and other financial assets or economic resources of the listed individuals and entities, including funds derived from property owned or controlled, directly or indirectly, by them or by persons acting on their behalf or at their direction, and ensure that neither these nor any other funds, assets or resources are made available, directly or indirectly, for such persons' benefit, by their nationals or by any persons within their territory.

NOTE: For the purpose of implementation of the financial prohibitions in this sanctions regime, "economic resources" is defined to mean assets of every kind, whether tangible or intangible, movable or immovable[6].

9. Please describe briefly:

• The domestic legal basis to implement the asset freeze required by the resolutions above:

• Any impediments under your domestic law in this context and steps taken to address them.

Report dated 26 December 2001 (S/2001/1285) to the Counter-Terrorism Committee of the United Nations Security Council, concerning the application of Resolution 1373 (2001):

- See item 2, concerning paragraph 1 of Resolution 1373 (2001) (measures taken to suppress the financing of terrorist acts).
- See item 4, concerning paragraph 1 (c) of Resolution 1373 (2001) (legislation and procedures for freezing accounts and assets at banks and financial institutions).
- See item 5, concerning paragraph 1(d) of Resolution 1373 (2001) (measures taken to prohibit nationals and legal entities from making funds, assets or economic resources and other services that favour the commission of terrorist acts available).
- See items 11, 13, 14, 15, 17 concerning paragraphs 2 (f); 3; 3 (b); 3 (c) and 3(e) of Resolution 1373 (2001) (measures, procedures and mechanisms in place to assist as well as to co-operate with other countries to repress the financing, support, and the commission of terrorist acts, including forfeiture and preventive measures).

Report dated 8 July 2002 (S/2002/796) to the Counter-Terrorism Committee of the United Nations Security Council, concerning the application of Resolution 1373 (2001):

- See item 3, concerning paragraph 1 (c) of Resolution 1373 (2001) (measures to freeze funds and other financial assets belonging to persons and entities associated with terrorism).

[6] From the International Convention for the Suppression of the Financing of Terrorism, 1999

Report dated 15 of March 2003 to the Counter-Terrorism Committee of the United Nations Security Council, concerning the application of Resolution 1373 (2001):

See item 1.7 that reads:

"The Code of Criminal Procedure allows, Article 125 and Article 132, the freezing and seizure of tangible and intangible assets that have been acquired with the proceeds of crime, whether resident or non-resident alike, including on request of another country, even when they have been transferred to third parties.[5]

When ordered by legal courts, the Central Bank of Brazil points out to financial institutions (and other specific entities listed by law), which values and goods from both individuals and firms shall be subject to freezing and seizure.

Act 9613/98 explicitly allows the freezing and seizure of terrorism related funds in light of Article 4. Terrorism, according to Act 9613/98, Article 1, II, is money laundering predicate offence.

The wilful provision or collection, by any means, directly or indirectly, of funds by the nationals of Brazil or in its territory with the intention that the funds should be used, or in the knowledge that they are to be used, in order to carry out terrorist acts has already been criminalised in Brazil by Act 7.170/83, Articles 20 and 24."

10. Please describe any structures or mechanisms in place within your Government to identify and investigate Usama Bin Laden, Al-Qaida or Taliban-related financial networks, or those who provide support to them or individuals, groups, undertakings and entities associated with them within your jurisdiction. Please indicate, as appropriate, how your efforts are co-ordinated nationally, regionally and/or internationally.

Report dated 26 December 2001 (S/2001/1285) to the Counter-Terrorism Committee of the United Nations Security Council, concerning the application of Resolution 1373 (2001):

- See item 2, concerning paragraph 1 of Resolution 1373 (2001) (measures taken to suppress the financing of terrorist acts).
- See item 3, concerning paragraph 1 (b) of Resolution 1373 (2001) (measures taken to criminalise the wilful provision or collection of funds in order to carry out terrorist acts).
- See item 7, concerning paragraph 2 (b) of Resolution 1373 (2001) (information about the National Security Plan, Brazilian security agencies, and other relevant issues)

[5] See Presidência da República. Subchefia de Assuntos Jurídicos. http://www.planalto.gov.br/ccivil_03/Decreto-Lei/Del3689.htm

Report dated 8 July 2002 (S/2002/796) to the Counter-Terrorism Committee of the United Nations Security Council, concerning the application of Resolution 1373 (2001):

- See item 1, concerning paragraph 1 (a) of Resolution 1373 (2001) (relation between federal laws relating to anti-terrorism and Brazil States - provinces, as well as the co-ordination amongst the various agencies).
- See item 4, concerning paragraph 1(d) of Resolution 1373 (2001) (legal provisions that govern the collection and use of funds by bodies, such as charitable institutions).

In Accordance with the rules and procedures established by the Central Bank, all foreign exchange operations in Brazil must be registered in the Central Bank Information System ("SISBACEN"), as well as all operations involving bank deposits maintained by non-residents in Brazilian banks up to R$ 10 thousand. In order to monitor those daily registers (approximately 13.000 foreign exchange operations and 200 operations involving non-resident accounts) the Central Bank of Brazil uses a computerised system that selects operations for further analysis based on predefined parameters. Among other criteria, selection depends on the classification of the operation. Donations and other types of transference of assets made by non-profit organisations or non-governmental entities are subject to rigid analysis. Overseas donations are also subject to specific regulations (Official Communiqué number 9.068 of the Central Bank of Brazil, dated 4 December 2001).

The Department to Combat Illegal Exchange and Financial Transactions of the Central Bank (DECIF) is competent to establish administrative procedures, based on circumstantial evidence of the practice of illegal acts. The above mentioned proceedings, as well as the possible penalties are established in Resolution 1.065/85 of the National Monetary Council (CMN), modified by Resolution 2.228/96 (CMN). All rules have been consolidated in the Manual of Rules and instructions (MNI). Among other legal dispositions, Act 9.613, of 3 March 1998, that criminalises "money laundering " and establishes mechanisms to prevent the use of the financial system for the commission of crimes, Act 9.784/99, of 29 January 1999, as well as Complementary Act 105, of 10 January 2001, authorises the lifting of banking secrecy rules of financial institutions for investigation of crimes including acts of terrorism.

In case signs of irregularities are observed, the DECIF shall inform the competent entities — The Public Prosecutors Office, Federal Tax Office as well as the Financial Activities Control Council of the Ministry of the Treasury (COAF) — in order to make investigations possible. COAF, is also competent to conduct investigations on its own.

11. Please convey the steps banks and or other financial institutions are required to take to locate and identify assets attributable to, or for the benefit of, Usama Bin Laden or members of Al-Qaida or the Taliban, or associated entities or individuals. Please describe any "due diligence" or "know your customer" requirements[6]. Please indicate how these requirements are enforced, including the names and activities of agencies responsible for oversight.

Brazil is in full compliance with the recommendations of the Group of Egmont and follows the Forty Recommendations of the Financial Action Task Force on Money Laundering (FATF) concerning the subject.

In Accordance with the rules and procedures established by the Central Bank, all foreign exchange operations in Brazil must be registered in the Central Bank Information System ("SISBACEN"), as well as all operations involving bank deposits maintained by non-residents in Brazilian banks up to R$ 10 thousand. In order to monitor those daily registers (approximately 13.000 foreign exchange operations and 200 operations involving non-resident accounts) the Central Bank of Brazil uses a computerised system that selects operations for further analysis based on predefined parameters. Among other criteria, selection depends on the classification of the operation. Donations and other types of transference of assets made by non-profit organisations or non-governmental entities are subject to rigid analysis. Overseas donations are also subject to specific regulations (Official Communiqué number 9.068 of the Central Bank of Brazil, dated 4 December 2001).

Article 44 of Act. 4.595, of 31 December 1964, establishes legal penalties for the financial institutions, its directors, members of the Administrative Boards, inspectors, managers and others that infringe the rules of the Brazilian Financial System or deal with illicit assets without taking the proper measures to identify them. Funds and assets that belong to terrorist groups can be frozen, confiscated and seized. For more details see item 10.

[6] For details see third report of the Monitoring Group of 17 December 2002, (S/2002/1338), paras. 27-29 .

12. Resolution 1455 (2003) calls on Member States to provide "a comprehensive summary of frozen assets of listed individuals and entities." Please provide a list of the assets that have been frozen in accordance with this resolution. This list should also include assets frozen pursuant to resolutions 1267 (1999), 1333 (2001) and 1390 (2002). Please include, to the extent possible, in each listing the following information:

•identification(s) of the person or entities whose assets have been frozen;

•a description of the nature of the assets frozen (i.e., bank deposits, securities, business assets, precious commodities, works of art, real estate property, and other assets);

•the value of assets frozen.

Until the present date, The Central Bank of Brazil and the Council for Financial Activities Control (COAF - is the Brazilian Financial Intelligence Unit - FIU) have not identified financial assets that belong to any person on the List.

13. Please indicate whether you have released pursuant to resolution 1452 (2002) any funds, financial assets or economic assets that had previously been frozen as being related to Usama Bin Laden or members of the Al-Qaida or the Taliban or associated individuals or entities. If so, please provide reasons, amounts unfrozen or released and dates.

Until the present date, The Central Bank of Brazil and the Council for Financial Activities Control (COAF - is the Brazilian Financial Intelligence Unit - FIU) have not identified financial assets that belong to any person in the List.

14. Pursuant to resolutions 1455 (2003), 1390 (2001), 1333 (2000) and 1267 (1999), States are to ensure that no funds, financial assets or economic resources are made available, directly or indirectly, to Listed individuals or entities or for their benefit, by nationals or by any persons within their territory. Please indicate the domestic legal basis, including a brief description of laws, regulations and or procedures in place in your country to control the movements of such funds or assets to designated individuals and entities. This section should include a description of:

•The methodology, if any, used to inform banks and other financial institutions of the restrictions placed upon individuals or entities listed by the Committee, or who have otherwise been identified as members or associates of Al-Qaida or the Taliban. This section should include an indication of the types of institutions informed and the methods used.

Brazil is in full compliance with the recommendations of the Group of Egmont and follows the Forty Recommendations of the Financial Action Task Force on Money Laundering (FATF) concerning the subject.

In Accordance with the rules and procedures established by the Central Bank, all foreign exchange operations in Brazil must be registered in the Central Bank Information System ("SISBACEN"), as well as all operations involving bank deposits maintained by non-

residents in Brazilian banks up to R$ 10 thousand. In order to monitor those daily registers (approximately 13.000 foreign exchange operations and 200 operations involving non-resident accounts) the Central Bank of Brazil uses a computerised system that selects operations for further analysis based on predefined parameters. Among other criteria, selection depends on the classification of the operation. Donations and other types of transference of assets made by non-profit organisations or non-governmental entities are subject to rigid analysis. Overseas donations are also subject to specific regulations (Official Communiqué number 9.068 of the Central Bank of Brazil, dated 4 December 2001).

•Required bank-reporting procedures, if any, including the use of Suspicious Transaction Reports (STR), and how such reports are reviewed and evaluated.

See the previous answer.

•Requirements, if any, placed on financial institutions other than banks to provide STR, and how such reports are reviewed and evaluated.

•Restrictions or regulations, if any, placed on the movement of precious commodities such as gold, diamonds and other related items.

•Restrictions or regulations, if any, applicable to alternate remittance systems such as -- or similar to -- "hawala", as well as on charities, cultural and other non-profit organisations engaged in the collection and disbursement of funds for social or charitable purposes.

Non-profit entities that benefit from tax immunity (Act 9.532/97, Article 12, *caput*) and non-profit entities that benefit from income tax exemption and social contribution exemption (Act 9.532/97, Article 15, *caput*) are required to present, annually, a revenue declaration to the Federal Tax Office[7] (Act 9.532/97, Article 12, paragraph 2, "e"[8] and Act 9.532/97, Article 15, paragraph 3[9]).

Non-profit entities that receive resources from the State are subject to accounting, financial, and budgetary control (Federal Constitution, Section IX), as prescribed by Act 9.790/99, Article 4, Paragraph 7, "d"[10]. They are subject to both external and internal control, especially of the Court of Accounts of the Union [11], subordinated to Congress.

Non-profit entities that benefit from tax immunity and non-profit entities that benefit from income tax exemption and social contribution exemption are required to make their reports or other information about their operations available to State Attorneys.[12]

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[7] In Portuguese, "*Receita Federal*".
[8] Act 9.790/99, Article 12, paragraph 2, "e"
[9] Act 9.790/99, Article 15, and paragraph 3.
[10] Act 9.790/99, Article 4, Paragraph 7, "d".
[11] See Federal Constitution, Section IX at http://www.uni-wuerzburg.de/law/br00000_.html.
[12] See "Promotoria de Justiça de Tutela das Fundações e Entidades de Interesse Social" at http://mpdft.gov.br/Orgaos/PromoJ/Pjfundacoes/fundacoes.htm.

The Ministry of Justice monitors non-profit entities that receive resources from the State,[13] the so-called "Civil Society Organisations of Public Interest". In order to be granted "Public Interest" status, charities must apply to the Ministry of Justice. Over 50% of such applications are denied as legally non-conforming. A database with all non-profit entities that are entitled to receive resources from the State in order to provide activities for the benefit of the population is available online.[14] Non-profit entities that receive resources from the State must make their activities and financial report publicly available, annually.[15] State Attorneys are also allowed to monitor "Civil Society Organisations of Public Interest".[16]

Access to information is ensured to everyone (Federal Constitution, Article 5, and XIV). All persons are entitled to receive from government agencies information of private interest to such persons or of collective or general interest which shall be provided within the period established by law, subject to liability, with the exception of information whose secrecy is vital to the security of society and of the State (Federal Constitution, Article 5, XXXIII). The results of such government oversight are not considered as vital to the security of society and of the State. Therefore, secrecy laws do not protect them. Any citizen is entitled to file a representation petition, thereby asking State Attorneys to investigate irregularities that are supposed to have occurred in charitable organisations.

In Accordance with the rules and procedures established by the Central Bank, all foreign exchange operations in Brazil must be registered in the Central Bank Information System ("SISBACEN"), as well as all operations involving bank deposits maintained by non-residents in Brazilian banks up to R$ 10 thousand. In order to monitor those daily registers (approximately 13.000 foreign exchange operations and 200 operations involving non-resident accounts) the Central Bank of Brazil uses a computerised system that selects operations for further analysis based on predefined parameters. Among other criteria, selection depends on the classification of the operation. Donations and other types of transference of assets made by non-profit organisations or non-governmental entities are subject to rigid analysis. Overseas donations are also subject to specific regulations (Official Communiqué number 9.068 of the Central Bank of Brazil, dated 4 December 2001).

In 2001, the Financial Action Task Force on Money Laundering (FATF) decided to begin a review of the Forty Recommendations. A number of factors make such a review desirable. The FATF has identified several areas in which possible changes could be made to Forty

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[13] See "Ministério da Justiça". Secretaria Nacional de Justiça. http://mj.gov.br/snj/oscip.htm.

[14] See "Ministério da Justiça". Secretaria Nacional de Justiça. http://www.mj.gov.br/sistemas/OSCIP/index.asp.

[15] Act 9.790/99, Article 4, VI, "b": "*que se dê publicidade por qualquer meio eficaz, no encerramento do exercício fiscal, ao relatório de atividades e das demonstrações financeiras da entidade, incluindo-se as certidões negativas de débitos junto ao INSS e ao FGTS, colocando-os à disposição para exame de qualquer cidadão.*"

[16] See "Promotoria de Justiça de Tutela das Fundações e Entidades de Interesse Social" at http://mpdft.gov.br/Orgaos/PromoJ/Pjfundacoes/fundacoes.htm.

Recommendations. One of these sectors is the so-called "non-financial businesses and professions area".[17]

The FATF is actually considering whether the Forty Recommendations should be extended to cover seven categories of non-financial businesses and professions: casinos and other gambling businesses, dealers in real estate and high value items, company and trust service providers, lawyers, notaries, accounting professionals and investment advisors, given the increased use, by criminals, of professionals and of other intermediaries for obtaining advice or other assistance in laundering criminal funds.[18]

As regards "casinos and other gambling businesses", it should be noted that casinos are not allowed to function in Brazil in accordance with Executive Act 9.125/46[19].

Act 9613/98, Article 9, Paragraph, VI, explicitly determines that other gambling businesses, namely "bingos" and lotteries, are subject to the requirements of customer identification, record-keeping and suspicious transactions reports, established, respectively, by Chapter 6 and Chapter 7. Council for Financial Activities Control (COAF)[20] Resolution no. 03, of June 02, 1999; Resolution no. 05, of July 2, 1999; and Resolution no. 09, of December 2000[21] have regulated these requirements.

Act 9613/98, Article 9, Paragraphs X and XI, determines that dealers in real estate and high value items are subject to the requirements of customer identification, record-keeping and suspicious transactions reports, established, respectively, by Chapter 6 and Chapter 7. Council for Financial Activities Control (COAF) Resolution no. 01, of April 01, 1999; Resolution no. 04, of June 02, 1999; and Resolution no. 08, of September 15, 1999 has regulated these requirements.

Company and trust service providers do not exist, as such, in Brazil. There is no specific legislation on trust services in this country. Trust services are a legal figure that is akin to the Anglo-American legal system.

Act 9613/98, Article 9, Paragraph I, determines that Chapter 6 and Chapter 7 subject to the requirements of customer identification, record-keeping and suspicious transaction reports, establish investment advisors, respectively.

Concerning lawyers, notaries and accounting professionals, the Council for Financial Activities Control (COAF) is conducting a public consultation process[22] on its website, thereby inviting comments on the review of the Forty Recommendations as regards their extension to cover these non-financial businesses and professions. This Council wants to allow lawyers, notaries and accounting professionals to express their views on the issues

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[17] See Financial Action Task Force on Mondey Laundering (FATF). http://www1.oecd.org/fatf/40RecsReview_en.htm.

[18] Ibidem.

[19] *Executive Act 9.125, of 30 April 1946*

[20] The Council for Financial Activities Control (COAF) is the Brazilian Financial Intelligence Unit (FIU).

[21] See Council for Financial Activities Control (COAF). http://www.fazenda.gov.br/coaf/site/p_money.htm.

[22] See Council for Financial Activities Control (COAF). http://www.fazenda.gov.br/coaf/.

being discussed in the review process of the Forty Recommendations. The Council for Financial Activities Control has also been presenting seminars on this subject at the respective regulatory agencies – lawyers, Brazilian Bar Association; accounting professionals, National Association of Accounting Professionals, etc. It should be emphasised that Act 9613/98 already covers lawyers, notaries, accounting professionals and investment advisors as regards their criminal liability in money laundering activities, in light of Article 1.

IV. Travel Ban

Under the sanctions regime, all States shall take measures to prevent the entry into or transit through their territories of Listed individuals (paragraph 1 of resolution 1455 (2003), paragraph 2b of resolution 1390 (2002)).

15. Please provide an outline of the legislative and or administrative measures, if any, taken to implement the travel ban.

In Brazil, the Federal Police Department, directly subordinated to the Ministry of Justice, is the competent organ to secure the frontiers, the airports and ports, as well as to act as border controller.

The General Co-ordination of Maritime, Airport and Frontier Police directs the Co-ordination of Migration, Application and Register of Foreigners – CIMCRE, the Police Co-ordination of Compulsory Evacuation – COPREC, Co-ordination of Migration Police – CPOI, the Co-ordination of Control and Expedition of Passports– COCEPA as well as the Police Service of Analysis and Investigation.

The Co-ordination of Migration, Application and Register of Foreigners (CIMCRE) is responsible for the management of the National System of Application and Register of Foreigners, which contain essential data about non diplomatic foreigners that reside in Brazil for a period of more than 90 days.

The Police Co-ordination of Compulsory Evacuation – COPREC manages the National System of Wanted People and Legal impediments (SINPI), which contain essential data about Brazilians and Foreigners against whom there are legal mandates of detention, as well as those people forbidden to enter or leave the country.

The Co-ordination of Migration Police (CPOI) manages the National System of International Traffic, which contains the registers of foreigners' entrances and exits into and out of Brazil.

The Co-ordination of Control and Expedition of Passports (COCEP) administrates the National System of Passports and the Police Service of Analysis and Investigation (SAIP) is the central organ of migratory police intelligence.

16. Have you included the names of the listed individuals in your national "stop list" or border checkpoint list? Please briefly outline steps taken and any problems encountered.

All lists disclosed by the Security Council of the United Nations containing a relation of individuals against whom there is an order of restriction of movement are transmitted to the Federal Police by the Ministry of Foreign Relations. Those names are incorporated in the National System of Wanted People and Legal Impediments, followed by the legal instrument that authorises his/her detention. The intelligence unit also undertakes operations to locate those individuals in Brazil. In case they are located, the Federal Police takes the necessary steps to proceed to his/her detention.

17. How often do you transmit the updated List to your border control authorities? Do you possess the capability of searching List data using electronic means at all your entry points?

Despite the extension of Brazilian borders, one is only allowed to legally enter or leave the country by regular areas of border control of international traffic of persons. All control units that operate in such areas are properly equipped to consult all data banks of the above mentioned systems and have operational conditions to execute dictated measures.

18. Have you stopped any of the listed individuals at any of your border points or while transiting your territory? If so, please provide additional information, as appropriate.

Until the present date, no persons against whom exist restrictions/sanctions concerning admission, transit or departure to/from Brazilian territory have been located in Brazil.

19. Please provide an outline of the measures, if any, taken to incorporate the List in the reference database of your Consular offices. Have your visa-issuing authorities identified any visa applicant whose name appears on the List?

Visas for other nationals of the countries of origin of those individuals that appear on the List are only issued after database is consulted. See item 15.

Until the present date, no individual whose name appears on the List has applied for a visa in a Consular office of Brazilian Embassy.

V. Arms Embargo

Under the sanctions regime, all States are requested to prevent the direct or indirect supply, sale and transfer, to Usama Bin Laden, members of Al-Qaida organisation and the Taliban and other individuals and entities associated with them, from their territories or by their nationals outside their territories of arms and related materiel of all types, including the provision of spare parts and technical advice, assistance, or training related to military activities (paragraph 2(c) of resolution 1390 (2002) and paragraph 1 of resolution 1455 (2003)).

20. What measures, if any, do you now have in place to prevent the acquisition of conventional arms and weapons of mass destruction (WMD) by Usama Bin Laden, members of Al-Qaida organisation and the Taliban and other individuals, groups,

undertakings and entities associated with them? What kind of export control do you have in place to prevent the above targets from obtaining the items and technology necessary for weapons development and production?

21. What measures, if any, have you adopted to criminalise the violation of the arms embargo directed at Usama Bin Laden, members of Al-Qaida organisation and the Taliban and other individuals, groups, undertakings and entities associated with them?

22. Please describe how your arms arms broker licensing system, if any, can prevent Usama Bin Laden, members of Al-Qaida organisation and the Taliban and other individuals, groups, undertakings and entities associated with them from obtaining items under the established arms embargo.

23. Do you have any safeguards that the weapons and ammunition produced within your country will not be diverted used by Usama Bin Laden, members of Al-Qaida organisation and the Taliban and other individuals, groups, undertakings and entities associated?

Brazilian exports of material with military use, and sensitive goods and services directly connected to them are subject to checks established by a series of directives that, taken together, conform the National Policy of Exports with Military Use (Portuguese acronym – PNEMEN).

Act 9.112, of 10/10/95, created the Interministerial Commission of Exports of Sensitive Goods, which is currently co-ordinated by the Ministry of Science and Technology and is integrated by the following organs: Ministry of External Relations (MRE) and the Ministry of Development, Industry and Foreign Trade (MDIC). The Commission periodically assesses the list of goods and services subject to the control regime, in accordance with the commitments that ensue from Brazilian participation in the Nuclear Suppliers Group (NSG), in the Missile Technology Control Regime (MTCR), in the Convention for the Prohibition of Chemical Weapons (CPAQ) and in the Convention for Prohibition of Biological Weapons (CPAB). The list is incorporated to the Foreign Trade System – SISCOMEX, which is the mechanism responsible for authorising and controlling all Brazilian exports and which holds the exclusive competence to issue export and import permissions, after obtaining the agreement of all entities concerned. The Secretary of Foreign Trade of MDIC operates SISCOMEX. The operations that exceed US$ 1 million must be signed by the Minister of Defence himself.

In accordance with the regulations of PNEMEN, the export permission is issued in two phases. The first phase regards the "preliminary negotiations", authorised by the Ministry of External Relations, so that a Brazilian enterprise may establish negotiations with foreign public or private potential clients. Previous to authorisation, the request is assessed taking into account the internal political conditions and international relationship of the country to which the merchandise will be sold. The authorisation, once given, expires in two years.

The second phase concerns the export itself, so that, regardless of the previous authorisation to establish negotiations, the enterprise must file a specific official request for each operation of export. The first pre-requisite is for the enterprise to possess a valid

authorisation for "preliminary negotiations"; the second is for the Brazilian government to deem that guarantees about the final destination of the product are satisfactory. Concerning sales to private enterprises such guarantee corresponds to the import licence issued by a competent authority in the country of destination, confirming that the concerned enterprise has legal permission to import such material and assuring that the material will not be re-exported without the express authorisation of the government of the importing country. With regard to sales to foreign governments, the guarantee corresponds to final use certificate, by which the government of the importing country pledges to use the material for one purpose only within its territory and not to re-export it without advance permission by the Brazilian government.

Regarding sensitive dual-use goods (chemical, biological, nuclear and missilistic), the export permission is issued only after the verification that all requisites prescribed in the norms and directives of each international regime have been fulfilled. For instance, nuclear goods in the NSG control list cannot be exported to countries that do not have comprehensive agreements with the IAEA. For certain categories of goods, the Brazilian government demands the presentation of governmental guarantees of the importing country concerning the final use or user of the good or technology to be transferred.

Until the present date, there are no registers of commercial transactions of weapons and military equipment involving Brazilian citizens and enterprises and persons and organisations indicated in Resolutions of the Security Council.

Additional information can be obtained in the Reports dated 26 December 2001 (S/2001/1285), 8 July 2002 (S/2002/796) and 15 March 2003 to the Counter-Terrorism Committee of the United Nations Security Council, concerning the application of Resolution 1373 (2001).

VI. Assistance and conclusion

24. Would your State be willing or able to provide assistance to other States to help them implement the measures contained in the above-mentioned resolutions? If so, please provide additional details or proposals.

25. Please identify areas, if any, of any incomplete implementation of the Taliban/Al-Qaida sanctions regime, and where you believe specific assistance or capacity building would improve your ability to implement the above sanctions regime.

26. Please include any additional information you believe pertinent.

Brazil is willing to maintain and enhance its (active) participation in assistance-related activities, such as the ones concerned with capacity training conducted through the sponsorship and/or support of the Inter-American Committee against Terrorism. For instance, it should be mentioned the interest in the oncoming Seminar to be held in Geneva (April 22nd -25th) entitled "Preventing Bio-Weapons Proliferation and Terrorism: Strengthening National Legislation and Law Enforcement".

In addition, the Specialized Working Group against Terrorism (SWGT), subordinated to MERCOSUR meetings of Ministries of Justice, has been promoting courses on police intelligence.

Brazil is likewise committed to furthering efforts under the so-called "3 + 1" mechanism, established in December 2002, which fosters cooperation between the Ministries of Foreign Relations of Argentina, Brazil and Paraguay and the U.S. State Department with regard to the issue of monitoring suspicious transactions potentially linked to terrorism financing at the Tri-Border area.